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## FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 8.13.2009

The Washington Post: "Topic A ... The Post asked economists if they agreed with the Federal Reserve's statement Wednesday, following a better-than-expected employment report and brisk auto sales, that the economy is "leveling out."

The Washington Post: "Clunkers Program Clears Out Car Lots ... Car buyers flocking to trade in their clunkers have stripped dealerships of inventory over the past two weeks, giving automakers a signal they have eagerly awaited: It's time to make more cars.

The Washington Post: "Pay Czar Quietly Meets With Rescued Companies ... President Obama's compensation czar has been meeting for weeks with executives at some of the country's largest and most troubled companies as they face a Thursday deadline to propose how much they will pay their top employees."

The Washington Post: "Fed Starts Rollback Of Rescue Efforts ... With the recession easing, the Federal Reserve reached a milestone Wednesday after two years of unprecedented intervention in the economy: It began the pullback."

Wall Street Journal: "Working to Please the Pay Czar ... Energy trader Andrew J. Hall has proposed to Citigroup Inc. that it modify his contract in a way that would avert a potential confrontation with the Obama administration's pay czar but likely cut his cash payout next year, according to people familiar with the situation."

Wall Street Journal: "Retail Sales Dipped in July Despite Clunkers Program ... U.S. retail sales unexpectedly fell in July despite the debut of the government's "cash for clunkers" program meant to jump-start the auto business and help turn around the economy."

Wall Street Journal: "Fed Set to Trim Major Lifeline ... The Federal Reserve, saying economic activity is "leveling out," on Wednesday sent its loudest signal yet that it's about to wean the economy off a major lifeline."

Barrons, Editorial: "No "Mission Accomplished" for the Fed ... While financial conditions are back to pre-Lehman levels, the economy has a long way to go before actually improving."

Bloomberg: "U.S. Foreclosure Filings Set Third Record-High in Five Months ... Foreclosure filings in the U.S. climbed to a record for the third time in five months in July as falling home prices and the recession left more homeowners unable to keep up payments or refinance."

Reuters: "Ex-AIG CEO, others to pay \$115 million to settle lawsuit ... Former AIG chief executive, Maurice "Hank" Greenberg, and five other defendants, have agreed to pay \$115 million to settle a shareholder lawsuit, according to a person familiar with the matter."

Reuters: "Citi trader exempt from czar's oversight ... Citigroup Inc's contract with an energy trader who may be owed up to \$100 million in compensation this year is exempt from rulings by the Obama administration's pay czar, a source close to the bank said on Wednesday."

LA Times: "Why 'clunkers' program won't take some of the most polluting cars ... The classic car lobby pushed to exclude vehicles made before 1984, protecting the market for parts. Consumer and environmental groups, too busy fighting for fuel efficiency, went along with it."

NY Times: "Fed Views Recession as Near an End ... Almost exactly two years after it embarked on what was the biggest financial rescue in American history, the Federal Reserve said on Wednesday that the recession is ending and that it would take a step back toward normal policy."

NY Times: "A Timeline of the Madoff Fraud ... The Ponzi scheme orchestrated by Bernard L. Madoff was the largest fraud by anyone in American history, involving \$65 billion and damaging the finances of thousands."